

Crypto Crowdfunding Campaign (HonkHonkHodl)

On Feb 1, the HonkHonkHodl Bitcoin crowdfunding campaign was created on the Tallycoin platform in support of the Trucker Convoy. All donations were collected in one Bitcoin address. A total of 20.6 Bitcoin were collected during the campaign. (An approximate value fluctuating between \$1M to \$1.2 Million CAD depending on the value of Bitcoin).

A Bitcoin address is a unique identifier where cryptocurrency can be sent. It is similar to an email address, which can be used when sending electronic transfers. It is a public identifier, visible on the Bitcoin Blockchain, and represented as a long alphanumeric code.

The transparency of the Blockchain publicly allows users to view the sending/receiving addresses involved in any Bitcoin transaction, view the amounts of each transaction, and the balance of any Bitcoin address. It does not reveal the identity of the owner of any address. (Blockchain accessible online at blockchain.com)

In order to purchase, sell or convert cryptocurrency, users will use a third party platform known as a cryptocurrency exchange or a cryptocurrency ATM to facilitate the transaction (similar to a bank). These entities are regulated in Canada as MSBs under *the Proceeds of Crime (Money Laundering) and Terrorist Financing Act* to capture client information for any transaction over \$1K, and to report to FINTRAC on STR and LCTRs.

Given their collection of KYC, these entities give law enforcement the opportunity to provide attribution to the owner of an address through the service of a Production Order. They can also intercept a transaction and hold assets within custody when required with judicial authorization or other legal authority (eg. *Emergencies Act*).

On February 15 (two weeks after the campaign began), the RCMP identified that the Bitcoin donations were dispersed among 34 different cryptocurrency addresses. Under the authority of the *Emergencies Act*, **a Cryptocurrency Alert containing 34 public addresses** were disclosed by the RCMP to the Virtual Currency Money Service Businesses as being related to illegal acts falling under the scope of the *Emergency Measures Act*. The MSBs were informed to cease the facilitation of any transaction dealing with these addresses and to disclose to the RCMP any information about a transaction or proposed transaction in respect of these address(es).

On February 17, the Bitcoin donations were moved. This time the funds were dispersed to 103 addresses. **A second Cryptocurrency Bulletin containing 103 addresses** was disclosed to the Virtual Currency MSBs.

On February 19, **a third updated Cryptocurrency Alert of 114 cryptocurrency address(es)** was disclosed to the Virtual Currency MSBs, which included a list. The MSBs were informed to cease the facilitation of any transaction dealing with these addresses and to disclose to the RCMP any information about a transaction or proposed transaction in respect of these address(es).

Additionally, 4 MSBs were directly notified of donated Bitcoin funds deposited through their exchange, for a total of 7 different deposits. Of these 5 have been frozen by the MSBs, each containing roughly 01.4 BTC (a value of approximately \$7.5K each). The other 2 MSBs have not responded to our notifications.

In total, **163 Bitcoin addresses** have been identified as receiving funds linked to the HonkHonkHodl crowdfunding campaign and shared with the Virtual Currency MSBs in 3 broad Alerts and 4 individual notifications.